

### OFFICE OF THE COUNTY EXECUTIVE

# Milwaukee County

#### SCOTT WALKER . COUNTY EXECUTIVE

#### FOR IMMEDIATE RELEASE

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## WALKER ADDRESSES FLAWS IN COUNTY BOARD BUDGET County Will Deficit in 2007 If Budget Is Allowed To Pass

MILWAUKEE – County Executive Scott Walker pointed out some major flaws in the County Board's budget for 2007. In an attempt to restore government jobs and pay for services the county cannot afford, the County Board has passed a budget that will be \$6.55 million out of balance before the start of 2007 and some \$13 million in the hole for the following year. This is even with a \$9 million increase in the property tax levy.

The County Board has restored almost all of the positions that Walker had proposed outsourcing. However, the board failed to allocate enough funds to pay for those positions, causing a \$6.55 million deficit.

"I saved millions by outsourcing things like housekeeping, maintenance, lawn mowing and fleet parts and maintenance," said Walker. "The board has attempted to appease the unions by restoring these positions, but they have failed to fund these positions. That is irresponsible."

Walker's budget called for the issuance of Pension Obligation Bonds (POBs) to get a handle on the county's pension obligation. The County Board decided instead to study the proposal, but at the same time, they lowered the pension contribution by \$6.25 million. That amount only materializes if pension obligation bonds are enacted. If the board fails to act on the POBs, it will create an additional \$6.25 million hole in the next budget.

"My budget stopped the growth of the pension liability with the use of POBs, like the State of Wisconsin and some 150 other governments," said Walker. "Unlike the County Board budget, I won't wait for yet another committee to study the issue."

Walker will issue his vetoes to the County Board budget next week and the County Board will then vote on Walker's vetoes.

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